

RedGate Golf Fund Five-Year Forecast

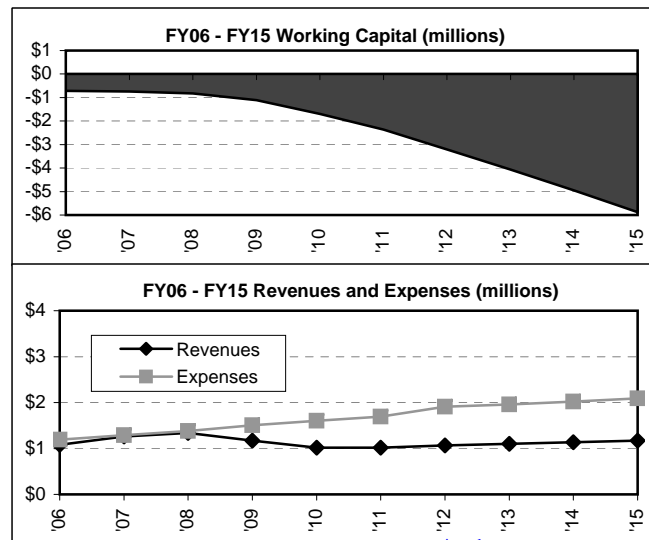
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Revenues / Sources	Note	Actual FY06	Actual FY07	Actual FY08	Actual FY09	Modified FY10	Adopted FY11	Estimated FY12	Estimated FY13	Estimated FY14	Estimated FY15
Golf Course Fees	A	846,338	869,521	887,553	827,324	779,576	779,580	818,559	843,116	868,409	894,462
Cart Rentals		217,988	252,324	265,553	230,766	219,832	219,830	230,822	237,746	244,879	252,225
Driving Range Fee		1,327	1,480	1,635	1,651	1,605	1,600	1,680	1,730	1,782	1,836
Concessions / Other		13,156	20,073	11,664	12,159	13,910	13,910	14,606	15,044	15,495	15,960
Pro Shop Rental		4,250	4,250	4,250	4,250	4,250	2,790	2,790	2,790	2,790	2,790
Transfers In	B	-	114,500	165,000	93,000	-	-	-	-	-	-
Total Revenues / Sources		1,083,059	1,262,148	1,335,655	1,169,150	1,019,173	1,017,710	1,068,456	1,100,426	1,133,355	1,167,272
Percent Increase		-1.7%	16.5%	5.8%	-12.5%	-12.8%	-0.1%	5.0%	3.0%	3.0%	3.0%

Expenses	Note	Actual FY06	Actual FY07	Actual FY08	Actual FY09	Modified FY10	Adopted FY11	Estimated FY12	Estimated FY13	Estimated FY14	Estimated FY15
Personnel	C	639,884	664,098	732,933	805,091	818,092	873,200	909,577	950,505	998,307	1,052,146
Contract Services	D	85,628	127,751	136,022	138,743	163,223	157,690	159,267	160,860	162,468	164,093
Commodities		190,500	226,227	240,513	261,032	281,785	288,360	297,011	305,921	315,099	324,552
Capital Outlay		22,015	33,210	42,404	86,239	109,300	95,700	95,700	95,700	95,700	95,700
Admin. Charge	E	173,380	89,500	92,200	95,000	97,900	165,750	334,815	338,163	342,390	346,670
Debt Service	F	10,106	12,330	12,208	11,944	11,600	10,900	10,162	9,418	8,674	7,930
Other	G	71,237	139,190	125,791	110,139	120,100	100,100	100,100	100,100	100,100	100,100
Total Operating Expenses		1,192,750	1,292,306	1,382,071	1,508,188	1,602,000	1,691,700	1,906,632	1,960,667	2,022,739	2,091,190
Percent Increase		-4.0%	8.3%	6.9%	9.1%	6.2%	5.6%	12.7%	2.8%	3.2%	3.4%

Working Capital, Beginning						(1,108,828)	(1,691,655)	(2,365,645)	(3,203,821)	(4,064,062)	(4,953,445)
Net Change						(582,827)	(673,990)	(838,176)	(860,241)	(889,384)	(923,918)
Working Capital, Ending		(713,432)	(749,503)	(827,807)	(1,108,828)	(1,691,655)	(2,365,645)	(3,203,821)	(4,064,062)	(4,953,445)	(5,877,364)

In 2006, the Mayor and Council adopted a five-year business plan intended to help RedGate achieve sufficient revenues in order to pay for course operations, capital outlay, and infrastructure improvements. Recognizing that the financial situation of the Fund is not improving, the Mayor and Council directed staff to research alternative management options. Pending completion of that research, FY 2011 will continue with the business plan, which allows for the administrative charge to be reduced by half.



NOTES:

- Revenues are projected to increase by 5% in FY 2012 due to the new point of sale system, and 3% each year starting in FY 2013 due to overall improvements in the economy.
- Refers to the transfer from the General Fund to support capital improvements to the course. The General Fund transferred \$372,500 over a three year period in accordance with the business plan.
- Personnel is estimated to increase by an average annual 5.1% over the projection period, mainly due to increases in benefits.
- Contract Services and Commodity expenses are estimated to increase each year by approximately 1% and 3% respectively, while Capital Outlay remains flat over the projection period.
- Refers to the transfer to the General Fund, which increased in FY 2011 per the updated Cost Allocation Plan, with 1% increases each year for FY 2012 and FY 2013, and 1.25% increases in FY 2014 and FY 2015. (*Note: as part of the five-year business plan this charge was reduced by half from FY 2007 through FY 2011 for a total RedGate savings of \$540,350. Starting in FY 2012, the full amount will be charged).
- Debt Service amounts represent interest payments based on current debt schedules. No additional debt is anticipated.
- Includes depreciation which is estimated to remain flat.